

EXHIBIT 301-10A
POLICY AND PROCEDURES FOR THE USE OF THE
CONTRACTOR-ISSUED GOVERNMENT TRAVEL CHARGE CARD

A. Policy.

The use of the contractor-issued Government travel charge card is limited to expenses incurred incident to officially authorized Government travel. Use of the card at *or in the vicinity of the official duty station or residence* is **strictly forbidden** unless its use is in connection with officially ordered travel. Personal and family member use of the card and *purchases made in retail stores is also **strictly forbidden***. However, common or shared services or facilities (i.e., rooms, meals, etc.) with family members or business associates may be charged to the card while on official business. This does **not** apply to common carrier transportation tickets. **Only** your official portion of the charged expense may be claimed on the travel voucher.

Possession and use of the card does not relieve the employee from observing rules and regulations governing official travel, including use of Government city-pair contract carriers, American-Flag carriers, or Travel Management Centers (authorized travel agents under contract with the General Services Administration).

Neither bureau managers, charge card coordinators, nor any other bureau officials have the authority to override the contractor's corporate policy regarding suspension or cancellation of employee accounts.

B. Responsibilities.

The following offices and individuals have direct responsibilities for monitoring the use of the contractor-issued Government travel charge card:

1. * Office of Executive Budgeting and Assistance Management, Office of Executive Assistance Management. The Office of Executive Assistance Management* will:

- (a) Issue and interpret Departmental policy and procedures on the use of the charge card.
- (b) Conduct periodic on-site reviews of the bureaus' oversight of charge card activities including a review of bureau written procedures and files maintained by the charge card coordinator.

(c) Monitor the bureaus' compliance with guidelines in disciplining employees who abuse their charge card privileges.

2. Departmental bureau and operating unit officials. *Appropriate officials* in Departmental bureaus and operating units will:

(a) Develop internal written bureau/operating unit procedures that will establish guidelines for the appropriate bureau/operating unit managers to follow in monitoring the use of the charge card by cardholders to ensure appropriateness of expenditures and the timeliness of payments. Bureau/operating unit officials will be responsible for determining the appropriate managers that will be delegated this authority and providing the coordinator with the name(s) of the manager(s).

(b) Designate an employee *and an alternate* to act as the bureau's/operating unit's charge card coordinators who will administer the Government charge card program for the bureau/operating unit.

(c) Determine which employees are eligible to be issued the card *and sign (or designate the employee's immediate supervisor) to sign the certification block on the Employee Acknowledgment Statement (Appendix B to this Exhibit).*

(d) Notify the employee's immediate supervisor of any questionable or inappropriate charges and/or delinquencies of 60 days or more in the payment of accounts.

3. *Employee's immediate supervisor. The employee's immediate supervisor will:*

(a) *Notify the employee of any questionable or inappropriate charges and/or delinquencies and give the employee the opportunity to explain the charge or delinquency. A record shall be maintained of the notification and the explanation received from the employee.*

(b) Take the appropriate disciplinary action if the explanation is inadequate. The supervisor shall contact the bureau's/operating unit's servicing personnel office for a determination of the appropriate disciplinary action that shall be taken. At the discretion of the supervisor, the card may be revoked at this time.

(c) Revoke the card if there is a second instance of inappropriate use or insufficient explanation for the delinquency. Appropriate disciplinary action, as recommended by the servicing personnel office, shall also be taken.

(d) Provide the bureau charge card coordinator with the card for cancellation when it has been revoked because of inappropriate use or delinquency.

(e) Notify the bureau charge card coordinator when an employee is transferring between offices within a bureau/
operating unit or between bureaus/operating units within the Department.

(f) Retrieve the charge card from the employee and return it to the bureau charge card coordinator for cancellation when an employee leaves, retires or transfers to another Government agency.

(g) Assure that the appropriate bureau official signs the designated box on the CD-126, Clearance of Employee Account- ability, (or equivalent form) when the employee leaves the Department.

4. Bureau charge card coordinators. The bureau/operating unit employee *and alternate* who has been designated by *the appropriate official in their bureau/operating unit* to act as charge card coordinators and to administer the charge card program for their respective bureau/operating unit will:

(a) Provide the contractor/card issuer with the *names of the coordinator and alternate,* bureau/operating unit, mailing address and telephone number. Also, provide this information to the Departmental Coordinator, *Office of Executive Assistance Management, Office of Executive Budgeting and Assistance Management*.

(b) Provide eligible employees requesting a card with a copy of this Exhibit along with an application form.

(c) Ensure completeness of employee information on the employee card account application, that the employee has completed and signed the Employee Acknowledgment Statement included as Appendix B to this Exhibit, *and that the approving official/supervisor has also signed the Acknowledgment Statement*.

(d) Complete sections designated for agency information and authorization on the employee card account application. (Refer to Appendix A of this Exhibit.)

(e) Forward the original of the application to the contractor and distribute the copies as designated.

(f) Maintain a central file of the signed Employee Acknowledgment Statements along with a copy of the employee's application for all employees who are current cardholders.

(g) Monitor the monthly charges and delinquency reports and notify the appropriate bureau manager(s), *employee's immediate supervisor, or the employee, in accordance with established bureau/operating unit procedures*, of possible misuse or delinquencies of 60 days or more.

(h) Maintain monthly charge and delinquency reports for a *one-year* period before they are destroyed.

(i) Return the card (cut in half) to the contractor for cancellation when notified that an employee's card has been revoked by the supervisor because of inappropriate use or delinquency.

(j) Notify the contractor when an employee transfers between offices within a bureau or between bureaus within the Department.

(k) Return the card (cut in half) to the contractor for cancellation when an employee leaves, retires or transfers to another Government agency.

5. Employees. Employees who have been issued the charge card will:

(a) Complete the employee information on the charge card account application and sign the application.

(b) Complete and sign the Employee Acknowledgment Statement (Appendix B of this Exhibit) acknowledging that they have received, read, and understand these policies and procedures related to the use of the contractor-issued travel charge card which states that the card shall be used only while on official travel and not for personal use or use at *or in the vicinity of the official duty station or residence* unless the use is related to approved official travel. *Obtain the signature of the approving official or immediate supervisor on the Employee Acknowledgment Statement.*

(c) Forward the above two documents to their bureau/operating unit charge card coordinator for processing. If the coordinator is unknown, call the Departmental Coordinator, *Office of Executive Assistance Management, (202) 482-1818*.

(d) Observe the following guidelines regarding the security of the card:

(1) Exercise the same care and responsibility for the security of the card and number as he/she would with a personal charge card. The card will be sent to the employee's home address. Employees should be aware that the card is mailed in an envelope that does not indicate that the contractor/card issuer is the sender.

(2) Exercise security of the card by not allowing *a secretary,* administrative or executive officer, or supervisor to store or keep the card.

(3) Exercise caution and care in giving the card number to another employee to make travel arrangements on their behalf and when giving signature-on-file authorizations (see Appendix C of this Exhibit) to *Travel Management Centers (TMC) (authorized travel agents under contract with the General Services Administration)*.

(4) Black out all but the first four numbers of the charge card number from any receipts submitted with their travel voucher.

(e) Obtain cash advances from automatic teller machines (ATMs) in lieu of receiving cash advances from the imprest fund. Cardholders will be issued Personal Identification Numbers (PIN) by the contractor. If an employee does not receive a PIN, does not remember the PIN, or wishes to change the PIN, he/she should call 1-800-CASH NOW (1-800-227-4669). Initially, employees are limited to a weekly withdrawal of \$500. However, on a case-by-case basis, that amount can be increased. Employees who require an increase must contact their bureau charge card coordinator to request an increase. Cardholders will be charged an ATM fee which is reimbursable as a miscellaneous expense on the travel voucher. Under unusual circumstances, cardholders who are in a constant travel status and may have difficulty making timely payments to the contractor may be considered for authorization to obtain and retain travel advances through their payment office. Requests for consideration shall be made through the employee's bureau finance officer.

(f) Comply with the following guidelines and procedures regarding the payment of the monthly charge card bills:

(1) A monthly billing statement from the contractor/card issuer will be sent to either the home or *office address, as specified on the application.* A statement will be issued when expenditures are incurred or when a credit is posted to the account. If a statement is not received, the employee should contact *American Express at 1-800-492-4922 in the continental United States or outside the United States, call collect, 602-492-4922.*

(2) Payment, in full, is due to the contractor on or before the next statement billing date. This will allow the employee approximately 25 days from the statement date to remit the amount due. **The employee is personally liable for all charges which have been incurred, regardless of whether they exceed the amount reimbursable under Department travel regulations.**

(3) Conform with Employee Responsibilities and Conduct, 15 CFR 0.735-16, **which requires** Department of Commerce employees to pay each just financial obligation in a proper and timely manner. Corrective actions (cancellation of the card and/or disciplinary action) may be taken by the employee's supervisor if the employee fails to pay the bill in a proper and timely manner. The Department of Commerce Employee Handbook indicates penalty guidelines ranging from written reprimand to removal for violation of this conduct standard.

(4) If the charge card bill contains a disputed charge, it is the employee's responsibility to contact the *contractor (American Express) at 1-800-492-4922 in the continental United States or outside the United States, call collect, 602-492-4922.* The contractor will need to know the following:

- Employee's name and account number
- Reference number of the disputed charges
- Establishment where charge was incurred
- Amount of charge
- Statement date

With this information, research can generally be conducted within a few days to resolve the problem.

(g) Notify his/her bureau charge card coordinator(s) when he/she is transferring between offices within a bureau/operating unit or between bureaus/operating units within the Department. This notification is necessary in order for internal management reports and mailing addresses to be kept current.

(h) Return the card, cut in half, to his/her supervisor or the bureau/operating unit charge card coordinator for cancellation when leaving, retiring, or transferring to another Government agency. If the coordinator is unknown, call the Departmental Coordinator, *Office of Executive Assistance Management*, on (202) 482-1818.

6. The contractor/card issuer. The contractor/card issuer will:

- (a) Issue a charge card in the name of the employee upon receipt of a properly authorized application.
- (b) Mail the charge card directly to the employee's home address within three (3) working days of receipt of the application from the coordinator.
- (c) *Mail monthly billing statements to the employee's home or office address, as specified on the card application, when expenditures are incurred or when a credit is posted to the account.*
- (d) Prepare and forward monthly reports (account activity, delinquency, *suspension, cancellation*, or other special reports as requested by the bureau) to the bureau/operating unit charge card coordinator.
- (e) Notify the bureau/operating unit charge card coordinator before *suspending or* canceling an employee's card because of nonpayment of his/her account.
- * (f) Send suspension notices to cardholders who are 90 days past due to advise them that if their account remains seriously delinquent and is subsequently canceled, that their account may be reported to the national credit bureaus.*
- * (g) Notify cardholders who are currently 120 days or more past due and whose accounts have been canceled that their accounts may be reported to the national credit bureaus unless the employee remits payment for the past due balances within a 45-day grace period.*
- * (h) Cancel the charge card immediately upon notification from charge card coordinators for those employees who have retired, left the Department, or whose card has been revoked by a supervisor.*

C. Card Issuance Procedures.

1. Application Guidelines. Employees who meet one or more of the following criteria **should** apply for the card:

- (a) Are expected to make two or more trips per year;
 - (b) Are stationed in a field location with limited or no access to Travel Management Centers (travel agents under contract with the General Services Administration) and/or imprest funds;
- or

(c) Are required to perform emergency travel on short notice and may be notified during off-duty hours.

2. Card Renewal. The card is valid for a two-year period from date of issuance. At that time, the contractor/card issuer will automatically renew the card unless the employee is delinquent in the payment of his/her account or the bureau manager determines that the employee no longer needs the card.

D. Procedures.

1. Authorization, Advances, and Vouchers.

(a) All official travel must be authorized on Form CD-29, Travel Order. In order to obtain common carrier transportation at the Government discount fare, a copy of the approved travel order must be presented to the ticketing agent at the time payment is made for the ticket.

(b) *It is **mandatory** that cardholders use the charge card to obtain cash advances from automatic teller machines (ATMs) instead of receiving cash advances from the imprest fund, unless the employee is in a constant travel status and has been authorized by their bureau's finance officer to obtain and retain travel advances through their payment office. Cash advances should be limited to the meals and incidental expense rate (M&IE) for the location of the temporary duty location and other cash expenses that are expected to be incurred that cannot be charged. It is assumed that travelers will normally be able to charge common carrier transportation, lodging, meals (where possible) rental of automobiles, and gasoline and other automobile related expenses on the contractor-issued Government charge card.*

(c) An employee may use his/her charge card to obtain common carrier tickets from the airlines or Travel Management Centers (TMC). If the employee does not personally pick up the tickets and present his/her charge card, he/she shall complete a signature-on-file form (Appendix C to this Exhibit) to authorize the airlines/TMC to charge the transportation to his/her charge card. Charging tickets more than a week in advance should be avoided unless it is necessary to obtain a discount fare. Otherwise, a situation may develop where an employee receives his/her charge card bill for the ticket prior to receiving a reimbursement check for the travel.

(d) Department policy **requires** the employee to submit a properly prepared and approved CD-370, Travel Voucher, to the

designated payment *office* within five (5) working days after the completion of travel. For common carrier transportation (plane, bus, train), the **original** passenger ticket coupon must be attached to the travel voucher. The cost of common carrier services will be itemized on the back of the travel voucher (Line 5, Common Carrier). Claims for common carrier transportation must be limited to the amount of airfare used and should not include any unused portion of the ticket. Adherence to this policy will ensure that the employee receives reimbursement from the Department in sufficient time to pay the charge card bill.

2. Unused Tickets.

(a) If a transportation ticket purchased with the *employee's individual contractor-issued Government travel* charge card is completely unused, the ticket and passenger coupon should be returned to the TMC or airline representative by the employee and a refund credit receipt should be obtained. This receipt should be retained until the appropriate credit is issued on a subsequent billing statement. The employee **shall not** submit his/her unused ticket *purchased with his/her individual charge card to the bureau payment office* with the travel voucher.

(b) If a transportation ticket *purchased with the employee's individual contractor-issued Government travel charge card* is partially used, the unused tickets and passenger coupon shall be returned to the TMC or airline representative by the employee and a "refund credit receipt" should be obtained. Copies of the passenger coupon (if available) and the "refund draft" issued by the transportation company representative along with the charge and "refund credit receipt" slips **must** be submitted with the travel voucher in order to obtain reimbursement for the cost of the partially used ticket.

(c) Transportation tickets purchased on the Government Travel Account (GTA), a centrally billed account established with the travel charge card contractor and a Travel Management Center (TMC), shall be returned to the appropriate bureau payment office to obtain a credit to the employee's appropriation code which was charged with the original ticket.

(d) If the transportation charge appears on the charge card statement, but the credit does not, immediate credit can be received in the following way:

- i. Subtract the amount of the credit from your payment.

ii. Send a copy of the refund credit receipt with the payment to *the contractor/card issuer*.

iii. The contractor/card issuer will monitor the account and take whatever steps are necessary to obtain the credit. The cardholder will be advised of the final resolution.

3. Lost Tickets.

(a) Most carriers will attempt to reissue a ticket according to their individual procedures. Employees should explain their ticket loss to the ticket agent and request a replacement ticket. Most carriers will comply if boarding passes have not already been issued against the lost ticket and if the employee can produce proper identification and a copy of his/her travel orders. However, if a replacement ticket cannot be provided, the employee will need to purchase a new ticket *using their individual contractor-issued Government travel charge card* and file a Lost Ticket Application immediately with the office location where the original ticket was purchased.

(b) To obtain a credit on the charge card statement, a copy of the Lost Ticket Application should be submitted following the procedure in 2(d) above.

(c) If the original ticket was partially used, a copy of the Lost Ticket Application should be submitted with the travel voucher, along with the charge slip. Employees may be personally responsible for the cost of the lost tickets and for any Lost Ticket Application service charges.

*4. Charges Made in Foreign Countries.

Charges made in foreign currency will be converted into U.S. dollars. The conversion rate used will be at least as favorable as an interbank rate, a tourist rate or, where required by law, an official rate, which is in existence within twenty-four (24) hours of the time that the charge is processed by the contractor/card issuer or by their authorized agent. Amounts converted by common carriers such as airlines will be billed at rates the carriers use.*

E. Lost or Stolen Cards.

(a) *Report lost or stolen contractor-issued Government travel charge cards **immediately** to the contractor, even if the card number is not known. Call toll-free, 1-800-492-4922, 24 hours a day and ask for "American Express lost or stolen cards". From overseas call collect at (602) 492-4922.*

(b) The employee is not liable for any fraudulent charges if the card is lost or stolen provided they promptly notify the contractor/card issuer. The employee may be required to review any charges considered fraudulent and sign an affidavit of forgery stating he/she did not make the charges. All charges will be the employee's responsibility should he/she refuse to sign the affidavit.

(c) *A replacement charge card will be issued within 24 hours of notification, if the card has been lost or stolen in the United States, and within 48 hours of notification abroad. The card will be mailed to the cardholders billing address and should arrive in 7-10 days after the loss has been reported. If the employee is traveling and needs a card replaced immediately, a temporary Emergency Replacement Card can be issued. The contractor will work with the employee to identify the best replacement option. The Emergency Replacement Card is valid for a maximum of 30 days and can be used by the cardholder until the new, permanent card is received.*

F. Employee Rights.

Under the terms of its contract with the General Services Administration, the contractor/card issuer **may not:**

- (a) Establish preset expenditure limits.
- (b) Conduct credit checks on employees designated to receive Government charge cards.
- (c) Release credit information to other than authorized employing agency officials or the individual cardholder.
- (d) Sell or otherwise provide employee names or addresses to other commercial interests.
- (e) Charge membership, interest, or late payment fees.
- (f) Include commercial advertisements or other forms of solicitation with monthly billing statements.
- (g) Issue or cancel employees' cards without notifying the authorized bureau official.
- (h) Hold employees liable for any charges made with lost or stolen cards, provided the employee notifies the contractor/card issuer promptly upon discovering that his/her card has been lost or stolen and signs an affidavit, if required by the contractor/card issuer, stating he/she did not make the charges.

G. Privacy Act Notice.

The following information is provided to comply with the Privacy Act of 1974 (5 U.S.C. 552a). The information requested on the application form is required under the provisions of 5 U.S.C. Chapter 57 (as amended) for the purpose of recording travel expenses incurred by the employee and to claim other entitlements and allowances as prescribed in the DOC Travel Handbook. The information requested on the application form is required to provide Government agencies with (1) necessary information on the commercial travel and transportation payment and expense control system which will provide travelers charge cards for official travel and related expenses, (2) attendant operational and control support, and (3) management information reports for expense control purposes. The information contained under this system will be used by Federal agency officers and employees who have a need for such information in the performance of their duties. Information will be transferred to appropriate Federal, state, or local agencies, when relevant to civil, criminal, or regulatory investigations or prosecutions or pursuant to a requirement by the General Services Administration or such other agency in connection with the hiring or firing, or security clearance, or such other investigations of the performance of official duty in Government service. The information requested is not mandatory. However, failure to provide the information will invalidate the application and prevent the issuance of the charge card.